



Department of Justice

United States Attorney Robert E. O'Neill
Middle District of Florida

Tampa

Orlando

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Fort Myers

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CONTACT: STEVE COLE

PHONE: (813) 274-6136

FAX: (813) 274-6300

ELEVEN INDICTED ON CHARGES OF INTERNET TRAFFICKING IN CONTROLLED SUBSTANCES AS WELL AS MONEY LAUNDERING

Orlando, FL - United States Attorney Robert E. O'Neill today announced the unsealing of a 73 count indictment charging Jude LaCour, age 35, formerly of Daytona Beach Florida, and his father, Jeffrey LaCour, age 60, of South Daytona, Florida with money laundering and various drug trafficking offenses involving the sale of controlled substances over the Internet. If convicted, the maximum penalty for each count for money laundering ranges from a term of ten to twenty years imprisonment and the maximum penalty for each count of drug trafficking ranges from a term of three to five years imprisonment. Hudson Smith, age 36 of Deland, Florida, Christopher Tobin, age 41 of Wilmington, North Carolina, Akhil Baranwal, age 34 of Pennsylvania, Alexis Roman Torres, age 54 of Puerto Rico, Andrew DeSonia, age 47 of Indiana, Margaret Fulmore a/k/a McIntosh, age 52 of Charlotte, North Carolina, Abel Lau, age 36 of Tulsa, Oklahoma, James Pickens, age 72 of Midvale, Utah and Geunnet Chebssi, age 56 of Spencerville, Maryland were also charged in the indictment with drug trafficking offenses.

According to the indictment, the defendants conspired to distribute controlled substances and other prescription drugs to customers located across the United States who did not have valid prescriptions. Jude LaCour owned and operated Jive Network, Inc., an organization that used the Internet to distribute and dispense prescription drugs to customers unlawfully. Jeffrey LaCour served as the Director of Operations at Jive Network

and Hudson Smith was the Director of Pharmacy/Physician operations.

Jive Network sold controlled substances, mostly stimulants and depressants, using internet websites and customer service representatives who were located at its office in Daytona Beach, Florida. Customers, who had no prescriptions, accessed the websites and purchased the controlled substances, including the cost of shipping, with a credit card or by money order. The customers also completed a short health history questionnaire. Jive Network did not verify the customers' identities and did not require the customers to submit any medical records during the ordering process.

The LaCours and Smith recruited doctors located across the United States, including Tobin, Baranwal, Roman Torres, DeSonia, Fulmore, Lau, and Pickens, to review health questionnaire answers and approve customer orders for the controlled substances solely on the basis of the answers. The doctors had no face-to-face contact with the customers, did not verify their identities or age, did not conduct any physical examinations or testing, did not review any medical records before approving prescription drug orders for the customers, and often were not licensed in the states in which the customers resided. According to the indictment, Jive Network doctors approved and issued drug orders, not in the course of diagnosing and treating medical conditions, but to facilitate the distribution of drugs pre-selected by customers and for the doctor's own personal profit. Jive Network paid the doctors a fee for each questionnaire they reviewed. Jive Network doctors unlawfully approved and issued "prescription" drug orders outside the usual course of their professional practice and for no legitimate medical purpose. The "prescriptions" they issued for Jive Network customers were invalid.

The LaCours and Smith also recruited pharmacists, including Chebbsi, to dispense and ship the drugs to the Internet customers. Jive Network pharmacists filled the orders and shipped the drugs to the customers throughout the United States via Federal Express.

Jive Network pharmacists and their pharmacies often were not licensed in the states to which they shipped drugs. Jive Network pharmacists did not contact the customers and rarely contacted the Jive Network doctors who approved or purportedly approved the “prescription” drug orders. The organization distributed approximately 4.8 million dosage units of Schedule III controlled substances and approximately 39.2 million dosage units of Schedule IV controlled substances to Internet customers who had no valid prescriptions. During the three-year conspiracy, Jive Network received well over 500,000 customer orders for controlled substances and illegally generated revenue in excess of \$77 million.

According to the indictment, Jude LaCour and Jeffrey LaCour agreed to launder the proceeds of the illegal drug conspiracy with the intent to promote and carry on the conspiracy. In addition, they transferred millions of dollars via wire transfer and check to their personal brokerage or bank accounts.

An indictment is merely a formal charge that a defendant has committed a violation of the federal criminal laws, and every defendant is presumed innocent until, and unless, proven guilty.

The case was investigated jointly by the Federal Bureau of Investigation, the Internal Revenue Service, and the Food and Drug Administration and will be prosecuted by Assistant United States Attorney Karen L. Gable.